(Continued from Page 27)

DECEMBER

	Current month 1987	Current month 1986	Year-to-date 1987	Year-to-date 1986
— Photography —				
Petersen's Photographic	41.0	31.5	355.5	315.6
Popular Photography	—	—	—	—
Total Group	41.0	31.5	355.5	315.6
% change		30.2%		12.6%
— Religious —				
Charisma	59.6	47.7	631.6	612.1
Christian Herald (11X)	23.8	25.5	300.2	306.4
Christianity Today (18X)	31.7	32.5	549.5	537.9
Ministries Today (6X)	—	—	234.7	256.5
Moody Monthly	30.8	32.6	386.4	459.4
Our Sunday Visitor (52X)	13.6	10.0	171.9	136.6
Today's Christian Woman (6X)	—	—	229.9	203.3
Total Group	159.5	148.3	2,504.2	2,512.2
% change		7.6%		-0.3%
— Science/electronic /mechanic —				
Discover	36.9	49.4	521.8	433.2
Family & Home Office Computing	63.4	73.0	531.2	549.5
Omni	83.4	76.3	754.6	727.8
Personal Computing	220.7	139.7	2,134.6	1,514.3
Popular Mechanics	80.3	74.8	1,003.9	1,085.7
Popular Science	62.3	53.8	839.8	794.7
Scientific American	63.7	44.8	559.7	436.4
Spectrum	70.3	69.9	795.9	983.5
Total Group	680.8	581.7	7,141.5	6,525.1
% change		17.0%		9.4%
— Woman/fashion/service —				
Bride's Magazine (6X) A.	374.9	304.4	2,476.7	2,095.5
Cosmopolitan A.	171.2	170.6	2,409.5	2,445.4
Essence	76.8	74.6	931.0	965.5
Family Circle (17X) A.	193.4	199.7	1,649.0	1,792.3
Glamour	134.4	164.6	2,222.0	2,173.2
Good Housekeeping A.	159.4	193.8	1,707.2	1,973.9
Harper's Bazaar	93.0	113.8	1,605.3	1,711.5
Health	36.9	33.0	559.1	479.5
Ladies' Home Journal	137.6	116.7	1,296.7	1,350.0
Mademoiselle	111.0	142.6	1,779.4	1,639.0
McCall's	101.8	116.6	1,145.1	1,149.2
Military Lifestyle	68.6	69.2	509.7	522.2
Modern Bride (6X)	272.0	260.0	1,993.0	1,794.0
Ms.	42.7	40.5	518.0	475.7
New Woman	82.1	76.2	969.2	877.5
Parents Magazine A.	127.3	123.8	1,377.8	1,228.1
Redbook	102.3	116.7	1,222.4	1,183.3
Savvy	59.9	52.6	410.7	380.0
Self	60.5	72.8	1,194.3	1,167.3
Seventeen	80.9	81.0	1,459.6	1,376.5
Shape	65.7	68.6	871.2	860.5
Soap Opera Digest (26X)	21.2	20.6	220.7	199.2
Teen Magazine	51.1	50.5	710.0	627.2
True Story A.	52.7	45.7	647.3	616.9
Vogue	223.9	204.0	3,302.7	3,193.9
W Magazine	68.2	64.7	1,493.3	1,352.1
Woman (9X)	37.0	35.0	327.0	196.5
Weight Watchers	25.3	23.5	375.7	398.2
Woman's Day (16X) A.	142.1	217.6	1,696.1	1,722.0
Women's Sports & Fitness	—	—	—	—
Workbasket	—	—	328.4	350.1
Working Mother	—	—	—	—
Working Woman	89.0	90.6	1,164.9	1,298.4
Total Group	3,262.7	3,343.9	38,572.9	37,594.6
% change		-2.4%		2.6%
— Youth —				
Boys' Life	27.1	14.9	217.4	198.1
Campus Life (10X)	56.8	50.5	470.1	447.2
Total Group	83.9	65.4	687.5	645.3
% change		28.4%		6.5%

NOVEMBER

	Current month 1987	Current month 1986	Year-to-date 1987	Year-to-date 1986
— Business/national —				
Barron's	258.3	221.8	2,372.6	2,095.2
Black Enterprise	66.4	63.2	763.3	792.0
Business Week (52X) A.	665.6	457.9	4,254.0	3,530.2
Business Month	—	—	—	—
Financial World (26X)	85.1	56.3	678.7	634.7
Forbes (26X)	512.7	340.9	3,380.4	3,048.9
Fortune (26X)	308.9	324.4	2,776.3	2,631.7
Frequent Flyer	71.0	67.2	647.3	672.6
Futures	119.8	78.5	735.5	547.0
Income Opportunities	85.9	74.6	773.0	610.1
Industry Week (25X) A.	185.0	141.4	988.4	1,091.1
Nation's Business (12X) A.	34.4	40.7	369.1	382.0
Personal Investor (6X)	—	—	—	—
Venture	102.8	86.4	745.2	781.9
Total Group	2,496.0	1,953.3	18,483.7	16,787.3
% change		27.8%		10.1%
— Business/regional —				
Arizona Bus. Gazette (52X)	79.3	79.3	893.0	820.5
Baltimore Bus. Journal	114.8	86.0	1,003.9	745.3
Boston Bus. Journal (52X)	168.8	135.4	1,561.6	1,469.4
Business Atlanta	45.8	64.6	687.7	753.0
Business First of Buffalo	—	—	—	—
Business First of Columbus	101.6	154.5	1,202.2	980.7
Business Journal-Milwaukee	352.0	280.0	1,623.0	1,337.0
Business Journal-Sacramento	104.1	54.7	762.8	528.3
Business North Carolina	35.5	36.0	485.1	469.5
Capital Dist. Bus. Review (52X)	109.2	—	902.9	—
Cincinnati Business Courier	127.2	98.5	1,241.1	898.6
Corporate Report Kansas City	26.3	24.1	235.2	275.3
Corporate Report Minnesota	85.0	99.0	843.0	887.0
Crain's Chicago Bus. (52X)	200.0	183.0	1,718.0	1,819.0
Crain's Cleveland Bus. (52X)	83.8	61.1	717.8	709.9
Crain's Detroit Bus. (52X)	106.1	84.2	888.1	739.6
Crain's New York Bus. (52X)	50.5	35.0	440.6	394.0
Florida Trend (13X)	75.8	98.2	839.9	922.7
Georgia Trend	62.7	69.5	739.6	616.2
Grand Rapids Bus. Journal	47.5	36.2	516.5	393.5
Hawaii Business	53.3	49.6	516.8	519.9
Houston Bus. Journal (52X)	102.0	82.0	795.0	914.0
Indianapolis Bus. Journal (52X)	163.5	147.8	1,648.3	1,654.9
Kansas City Bus. Journal	50.5	35.0	440.6	394.0
Los Angeles Bus. Journal(55X)	92.7	50.5	880.4	412.8
Manhattan Inc.	86.2	106.7	835.6	811.7
New England Bus. (20X) A.	97.5	130.0	908.8	1,060.7
Pacific Bus. News (52X)	126.4	121.9	1,285.7	1,294.6
Philadelphia Bus. Journal (52X)	169.6	168.5	1,555.2	1,365.0
Pittsburgh Bus. Times (52X)	123.9	102.9	1,361.3	1,205.6
Providence Business News	88.4	44.0	782.0	278.2
Regardie's/Washington	183.0	104.0	1,625.0	1,393.0
San Diego Bus. Journal (52X)	39.2	50.3	360.7	401.8
San Jose Bus. Journal	90.6	95.3	1,123.5	1,216.6
St. Louis Bus. Journal (52X)	169.8	157.5	1,459.5	1,553.3
Texas Business	47.6	59.8	391.9	632.9
Total Group	3,660.2	3,184.8	33,272.2	29,868.5
% change		14.9%		11.4%
— National Sunday magazines —				
Parade (52X)	59.3	67.4	558.8	595.1
USA Weekend (52X)	53.9	58.4	445.6	555.9
Total Group	113.2	125.8	1,004.4	1,151.0
% change		-10.0%		-12.7%
— Newspaper Sunday magazines —				
Boston Globe	220.9	243.7	2,030.1	2,067.8
Chicago Tribune	159.7	115.5	1,251.6	1,026.7
Cleveland Plain Dealer	116.6	108.2	738.3	644.0
Columbus Dispatch	65.0	29.3	404.5	461.7
Detroit News	102.0	135.0	815.0	888.0
L.A. Times	84.5	80.1	616.1	757.4
Miami Herald	38.1	68.7	413.1	533.9
New York Times Magazine	528.4	492.2	3,842.4	3,778.9
Philadelphia Inquirer	95.7	110.5	851.4	771.0
Seattle Times	122.0	91.0	742.0	684.0
St. Louis Post Dispatch	150.5	110.1	881.8	671.5
Toledo Blade Magazine	44.4	47.9	432.5	500.6
Washington Post	119.9	170.9	1,367.8	1,431.1
Total Group	1,847.6	1,803.1	14,386.5	14,216.6
% change		2.5%		1.2%
— Weeklies/bi-weeklies —				
The Advocate (26X)	145.3	132.0	1,516.6	1,411.3
Army Times Military Group:				
Air Force Times (52X)	199.2	219.7	1,847.9	1,984.2
Army Times (52X)	200.7	213.7	1,805.1	1,868.6
Navy Times (52X)	216.7	222.2	2,007.2	2,074.8
The Blood-Horse (52X)	378.7	350.3	3,692.0	4,138.7
Capper's (26X)	23.3	31.6	288.5	305.7
Commonweal (22X)	13.5	10.5	89.6	76.8
Golf World (43X)	61.5	37.8	949.1	784.5
Grit (52X) A.	29.1	35.9	300.5	282.6
National Journal (50X)	62.7	55.0	728.5	638.4
National Review (25X)	46.2	36.2	385.8	336.5
New Republic (48X)	58.5	49.5	458.0	403.5
New Yorker	452.5	354.7	2,947.4	2,391.8
Newsweek (52X) A.	341.4	286.4	2,380.9	2,258.8
People (52X)	493.4	407.9	3,253.3	3,318.7
Rolling Stone (25X)	261.6	157.7	1,597.2	1,268.1
Sporting News (52X)	77.2	70.9	597.7	578.2
Sports Illustrated (52X) A.	341.0	286.1	2,440.9	2,451.4
Time (52X) A.	324.1	278.3	2,193.8	2,314.1
Travelhost (52X) C.	3,226.0	3,086.0	35,290.0	36,286.0
TV Guide (52X) A.	360.8	454.2	3,399.8	3,323.5
Us Magazine (26X)	82.0	88.3	546.0	489.9
U.S. News & World Report (52X) A.	214.3	180.6	1,489.1	1,427.9
Total Group	7,609.7	7,045.4	69,606.8	69,413.9
% change		8.0%		0.3%
— Foreign —				
Business Week Int'l (52X)	323.9	150.4	1,512.0	1,454.6
Geomundo:				
Argentina	4.0	3.0	42.0	18.0
Central America	9.0	7.0	70.0	47.0
Chile	5.0	7.0	52.0	52.0
Colombia	15.5	17.5	142.0	100.3
Ecuador	7.0	7.0	62.5	43.0
Mexico	12.0	22.5	94.2	110.7
Peru	5.0	4.0	54.0	34.0
Puerto Rico	7.5	4.0	63.5	32.5
U.S.	10.3	6.7	56.0	55.0
Venezuela	29.5	20.5	204.0	147.0
Hombre De Mundo:				
Central America	12.0	5.0	69.0	54.3
Chile	9.0	5.0	63.0	54.3
Colombia	32.0	20.7	170.3	162.3
Ecuador	11.0	4.0	61.0	46.3
Mexico	17.0	29.7	124.0	191.3
Peru	8.0	2.0	42.0	31.3
Puerto Rico	13.0	4.0	74.5	44.3
U.S.	12.3	11.7	136.8	110.3
Venezuela	38.5	45.5	212.5	226.3
Ideas Para Su Hogar:				
Argentina	5.3	—	27.0	18.2
Chile	—	1.0	—	1.0
Colombia	28.2	31.0	152.0	144.2
Ecuador	—	6.0	24.5	27.0
Mexico	23.2	23.2	119.5	109.0
Peru	10.0	7.0	63.5	36.0
Puerto Rico	—	—	—	0.2
U.S.	3.3	4.0	48.8	47.0
Venezuela	31.0	13.8	142.5	100.5
Mecanico Popular:				
Argentina	10.7	5.0	89.5	52.3
Central America	10.7	13.5	100.3	101.8
Chile	6.0	6.3	52.3	51.7
Colombia	19.3	20.7	204.0	172.0
Mexico	18.3	22.7	200.0	146.7
Peru	17.0	16.0	145.2	127.8
Puerto Rico	7.3	10.5	82.8	78.0
U.S.	6.3	7.3	45.5	65.0
Venezuela	19.7	20.3	163.7	136.5
Vanidades Continental:				
Argentina	20.3	2.0	175.8	78.8
Central America	47.8	47.3	228.5	219.7
Chile	15.7	9.7	66.5	50.3
Colombia	162.8	155.2	881.3	954.5
Ecuador	23.7	26.8	196.2	214.0
Mexico	143.3	154.2	900.7	930.2
Peru	45.3	41.7	251.5	195.5
Puerto Rico	59.2	35.2	402.8	344.5
U.S.	58.8	46.0	535.5	487.0
Venezuela	85.8	89.2	510.5	473.2
Hearst International Publications:				
Buenhogar:				
Central America	3.0	3.0	15.0	16.0
Chile	1.0	4.0	12.0	17.0
Colombia	41.5	53.8	369.0	378.2
Ecuador	11.0	17.0	105.0	128.0
Mexico	53.7	56.3	379.2	391.3
Peru	23.5	26.5	157.0	120.5
Puerto Rico	16.8	6.5	69.8	99.0
U.S.	9.3	13.7	194.7	213.8
Venezuela	54.3	41.3	313.8	252.3
Cosmopolitan en Espanol:				
Central America	12.3	13.3	76.2	60.0
Colombia	39.0	42.8	240.8	204.2
Ecuador	3.0	1.0	23.0	3.0
Mexico	93.5	76.8	503.8	487.5
Peru	1.0	1.0	7.0	2.0
Puerto Rico	21.8	16.3	168.3	120.7
U.S.(Spanish language)	14.8	18.0	256.5	266.7
Venezuela	43.5	34.3	227.8	181.3
Cosmopolitan Foreign Editions:				
Australia	117.8	114.8	724.4	775.1
Brazil	78.2	136.3	692.8	773.9
China	77.5	70.5	519.5	500.4
France	124.0	143.5	1,120.6	1,048.3
Germany	173.0	184.0	1,389.5	1,251.9
Great Britain	175.0	182.0	1,246.0	1,282.5
Greece	70.0	60.0	453.0	462.0
Holland	110.0	125.0	774.0	820.0
Italy	98.3	89.5	827.8	747.2
Japan	64.9	57.7	542.9	539.9
South Africa	122.0	120.0	850.0	905.0
Good Housekeeping Foreign Editions:				
Australia	50.6	65.4	403.5	426.1
Great Britain	201.4	203.8	1,512.4	1,451.5
Johnston International:				
Alam Attijarat	29.7	58.8	260.9	391.2
Far East Business	—	—	—	—
Modern Africa (6X)	17.2	13.0	81.1	115.7
Latin America Finance (6X)	20.0	18.1	113.2	111.1
Newsweek International A:				
Atlantic (52X)	152.8	125.0	912.2	919.5
Latin America (52X)	44.6	33.9	294.2	329.0
Asia (52X)	91.4	65.8	594.8	637.0
Progreso (9X)	7.3	11.6	57.1	83.2
Reader's Digest:				
Arabic	8.0	7.5	87.5	78.0
Asian	140.0	184.0	1,694.0	2,224.5
Australian	59.3	61.3	525.8	610.1
Belgian-Flemish	104.0	132.5	583.0	810.1
Belgian-French	71.0	82.5	391.5	477.6
British	91.9	65.2	584.8	536.2
Chinese B.	92.5	85.5	989.4	1,107.3
Danish	29.5	29.3	324.3	351.1
Dutch	58.5	45.0	436.9	422.4
Finnish	43.0	61.8	479.5	507.6
French	35.8	25.5	285.2	177.2
German	129.9	100.5	860.1	711.9
Iberian	1.0	3.0	3.0	20.5
Indian-English	80.5	86.0	787.5	784.0
Indian-Hindi	4.5	15.5	117.5	112.5
Italian	53.3	45.5	513.8	375.5
Korean	40.0	25.0	383.1	280.8
Latin American:				
Argentina	12.0	19.0	137.0	151.5
Brazil	—	—	—	18.0
Central American	4.0	5.0	43.0	75.0
Chile	25.0	8.0	141.0	134.0
Colombia	50.0	41.0	208.0	251.0
Ecuador	4.0	6.0	32.0	67.0
Mexico	91.9	77.7	684.0	644.2
Peru	3.0	6.0	37.0	78.0
Puerto Rico	4.0	4.0	36.0	49.5
U.P.B.	3.0	9.0	34.5	71.0
U.S. Spanish	20.0	9.5	109.0	166.0
Venezuela	3.0	4.0	38.0	67.0
New Zealand	50.5	63.5	530.8	612.8
Norwegian	9.0	13.0	171.6	86.0
Portugal	60.0	50.5	453.5	430.5
South African	34.5	95.5	817.5	878.0
Swedish	17.5	13.0	85.5	143.5
Swiss-French	40.0	42.0	275.5	260.3
Swiss-German	51.0	46.0	386.0	324.0
Time International:				
Time-Asia	98.9	82.0	644.2	761.1
Time-Atlantic	189.1	142.1	1,038.3	1,067.0
Time-Canada	303.6	245.9	1,759.0	1,962.2
Time-Latin America	57.6	47.1	368.2	473.9
Visao (52X)	157.9	189.3	1,241.6	1,598.0
Vision/Latin America (24X) A.	41.7	39.7	301.3	313.4
Total Group	6,154.9	5,811.3	44,323.7	45,159.3
% change		5.9%		-1.9%

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December 28, 1987

Advertising Age

Crain's International Newspaper of Marketing

JOHN SMALE

ADMAN OF THE YEAR

Ceo pushes P&G into next century

By LAURIE FREEMAN

John G. Smale, a self-effacing man who is boldly shaping Procter & Gamble Co.'s future as the nation's leading personal-care and household-products company, is ADVERTISING AGE's Adman of the Year.

In the two years since the Cincinnati-based company reported its first earnings decline in 33 years, Chairman-CEO Smale has spearheaded its return to dominance in the primary product categories of dentifrices, detergents and diapers; staked a leadership position in over-the-counter drugs; and given the company's previously stodgy advertising a new look.

By all accounts, Mr. Smale, 60,

(Continued on Page 26)

Forecast & Review

INSIDE: Our annual yearend features include: 10 newsmakers of 1987, top 10 products of 1987, top 10 events in 1987, 10 categories that will make news in 1988; plus International and Regional yearend reviews, Ad Follies of 1987, "Brady's Bunch" predictions for next year, SAMI's annual review of hot grocery-product categories.

What's behind Mars candy shifts? Page 4

Forecast & Review 1987-88

10 EVENTS *that moved the market in '87*

Stock market fall

The Oct. 19 stock market dive evoked deep anxiety about consumer spending during the Christmas season and sent financial companies scrambling.

Initial studies showed high levels of consumer confidence immediately after the crash. But later surveys revealed deterioration in the outlook of consumers.

The big issue—whether the market plunge signaled the onset of a recession—remained unanswered at yearend.

Analysts watched retail sales closely for signs of unexpected slowdowns in consumer spending, especially in hard goods and high-ticket items. Results were mixed. Merchants admitted concern, but were generally pleased by post-Thanksgiving sales that were on or slightly above target.

Overall, Christmas sales were expected to rise about 4.5% to 6%, unadjusted for inflation.

In the financial-services arena, the October bust burst the market's bubble.

Merrill Lynch, Pierce, Fenner & Smith was the first major company to pull existing advertising and to put its top executives on the air Oct. 21 in new TV commercials.

Several major securities companies followed with messages asserting their stability, urging consumers to seek professional advice or pointing out investment opportunities.

Banks stepped in quickly to tout their safety and financial strength to consumers scared by the stock market's turbulence. Mutual funds adeptly shifted the focus of their advertising and promotion to relatively "safe" investments such as bond funds.

Stock market fall
Account shifts
People meters
Rafting tragedy
Agency consolidations
Magazine rates
Tax on advertising
NFL strike
AIDS
15-minute celebrity

Discount brokers for the most part stayed out of the limelight, with the notable exception of Charles Schwab & Co., which ran a page newspaper ad apologizing for customer service problems during the market plunge.

Once it appeared the worst was over, Wall Street relaxed, but not for long. Responding to changes in the business climate caused in part by tax reform, several companies, including Kidder, Peabody & Co. and L.F. Rothschild Co., followed Salomon Bros.' lead in announcing staff layoffs and cutting their municipal bond departments to the bone.

Then the directors of E.F. Hutton Group, one of Wall Street's best-known companies, decided Hutton was not strong enough to go it on its own. After a flurry of offers from potential partners Hutton accepted a $960 million offer from Shearson Lehman Bros. Holdings.

The Shearson/Hutton combination created a financial giant poised to mount a serious challenge to Merrill Lynch's leadership and threatened to spark a marketing battle among the top Wall Street brokerages.

Account shifts

A half-dozen top accounts representing more than $600 million in billings changed hands in 1987 in what will be remembered as a tumultuous year that tested client-agency relationships and shifted fortunes among the nation's leading agencies.

ADVERTISING AGE estimates the value of account shifts during 1987 at well over $1.2 billion. That figure included the two largest accounts ever to shift from one shop to an-

(Continued on Page 10)

10 CATEGORIES *that will make news in '88*

Olympics

Every four years they come around together, presidential elections and the Olympics. But it was not the U.S. election in 1988 that executives at NBC-TV were most concerned about; it was the recent presidential election in South Korea, site of next year's Summer Games.

South Korea has earned an image of political volatility in the last year, causing advertisers to question the wisdom of holding such an important international event in Seoul. In mid-December, NBC had sold only about two-thirds of the commercial time in the 180 hours of Olympics programming it has planned for the last two weeks of September 1988.

Early on, the cost of a 30-second spot averaged across all dayparts was $176,000. The network's goal is to take in $600 million on the games.

NBC remained optimistic. "Right now, we're between 65% and 70% sold," a spokesman said. "We're happy with it, happy enough that we're considering raising our price."

Ironically, the games in Seoul are expected to be the least politically divisive in recent times. The deadline for nations to declare whether they will participate is Jan. 17, but for the first time since 1976, none of the major players is expected to boycott.

To date, the Koreans have been cooperative with NBC, agreeing to schedule many important events, including the opening ceremonies, between 10 a.m. and 2 p.m. so they can be shown live in U.S. prime time.

Among the major advertisers NBC has signed are American Isuzu Motors, Anheuser-Busch, Coca-Cola Co., Dow Chemical Co., Eastman Kodak Co., Federal Express Corp., General Electric Co., General Motors Corp., Hyundai Motor America, IBM Corp., Johnson & Johnson, K mart Corp., McDonald's Corp., Miller Brewing Co., Northwest Airlines, Quaker Oats Co., Prudential Insurance Co. of America, United Airlines, US Sprint Communications and Visa International.

Olympics
Elections
Financial services
Olestra
Agency compensation
Consumer electronics
Skin care
Luxury sports cars
Ethical drug ads
Children's TV

Going into December, ABC was still an estimated $30 million short of its ad revenue goal of $425 million for the Winter Games in Calgary, Alberta. ABC, scheduled to devote almost 100 hours of airtime to schussing, skating and slaloming in the last two weeks of February, was asking $265,000 for a 30-second prime time spot in mid-February.

Other advertisers signed up for the Winter Games include American Airlines, Blue Cross & Blue Shield Associations, Chrysler Corp., Ford Motor Co., E&J Gallo Winery, Merrill Lynch & Co. and Stanley Works.

ABC, which paid the astronomical sum of $309 million for broadcast rights, has acknowledged it will lose a substantial amount on its Olympics venture.

Elections

Cable TV and videocassettes might be what is new in political advertising for 1988, but it is the old stories of money and negative TV spots that are expected to dominate the political advertising landscape in the upcoming presidential election year.

To date, cable's modest role in political advertising has been as a local-race medium, where a county office candidate, for example, can reach every wired home in his county.

But it is national cable that's showing signs of growth as a politician's medium.

Already the presidential campaign of Sen. Robert Dole (R., Kan.) is planning a national cable fund-raiser on Financial News Network, and Vice President George Bush's people also admit they may exploit national cable advertising in their candidate's bid for the Republican nomination.

Videocassettes are attractive substitutes for the real candidate. Instead of a fleeting glimpse of Sen. Hometown at a fund-raiser, groups are receiving lengthy cassettes that allow a candidate to lay out policies and platforms.

But in the end, the campaign's

prime ad topic again is expected to be how much money is spent, and whose ads were the nastiest. Already, projections of how much will be spent this presidential election year lurch past $500 million.

That alone practically guarantees that soon after the fall elections, some lawmaker will introduce legislation to cap campaign spending.

The regular exercises in anguish over negative political advertising could be more intense this coming year, at least if the politics of 1987 is any barometer.

With candidates admitting to such indiscretions as adultery, drug use and plagiarism, there's a greater chance than ever that 1988's negative advertising could be the sharpest ever.

That, in turn, could spark a resurgence of congressional interest in restricting who can say what in political spots.

But past interest in such legislation has been so limited that chances of any such bill becoming law are unlikely.

Financial services

Financial service marketers will struggle with new marketing problems and severe financial pressures in 1988. There is general agreement that the stock market's boom years are coming to a grinding halt.

Wall Street watchers anticipate further consolidation in the industry and additional layoffs as securities companies trim their bloated staffs.

The mood shift in the financial sector will be accompanied by a shift in marketing strategies, many observers said. The hard sell to investors will be less acceptable and

(Continued on Page 13)

Highlights

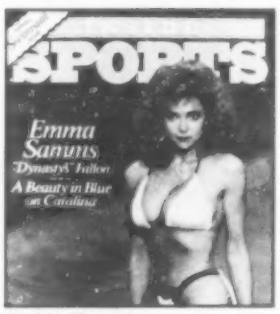
NEWS

8 **Godfather's has new cook**
Godfather's Pizza moves its $6 million-to-$8 million account to Fallon McElligott.

22 **Reynolds spritzes Salem package**
R.J. Reynolds Tobacco Co. is giving Salem cigarettes its first new packaging in 31 years.

23 **Computers put new byte in design**
J.S. Mandle & Co. devises a revolutionary computerized package design system.

29 **PC direct marketers fight fraud**
Direct marketers of personal computers are trying to improve the PC mail-order industry's image.



Inside Sports' swimsuit issue rolls in February. P. 30.

Departments

Brady 18
Corrections & clarifications 4
Perspectivas 19
Viewpoint 16, 17

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ABP MPA RED TAG ABC

Why Mars is shifting shops

By JANET MEYERS

Mars Inc. is poised for a major overhaul of its candy advertising after yanking more than $40 million in combined billings from two of its largest U.S. shops.

The action apparently was a display of anger over perceived conflicts and agency megamergers.

The decision cost Leo Burnett USA, Chicago, an estimated $30 million in Mars assignments, including 3 Musketeers, Mars Bar, DoveBar, Twix, Ethyl M and P.B. Max, a new candy bar in test in Wisconsin.

Backer Spielvogel Bates Worldwide, New York, lost Milky Way, an estimated $10 million assignment.

Burnett is off the Mars roster; Backer still handles the most Mars business in the U.S. and overseas.

The changes come just weeks after a major shift of top executives at M&M/Mars, Mars Inc.'s confection division in Hackettstown, N.J.

But Backer Spielvogel Bates' loss of Milky Way is seen by sources as more of a disciplinary action by top executives at the parent company's McLean, Va., headquarters.

Reports are the executives considered offensive a recent newspaper ad from Backer's owner, Saatchi & Saatchi Co., which trumpeted Saatchi's 1987 profits.

Burnett's three-year marriage to Mars was considered a success by M&M/Mars, said Hans Fiuczynski, M&M/Mars external relations director.

But a conflict may have been simmering as Burnett client H.J. Heinz Co., Pittsburgh, and its Terminal Island, Calif.-based Star-Kist Foods unit in recent months began buying pet-food operations.

Burnett is the longtime agency for that company's 9-Lives cat food. But the recent acquisitions have significantly expanded its business.

Mars Inc. "feels the [Burnett-Heinz] conflict does not allow it to evolve the relationship internationally," Mr. Fiuczynski said.

Company executives were uncomfortable with the situation because Heinz' growing presence in the pet-food business posed more of a threat to Mars' Kal Kan Foods division. Mars ranks fourth in cat food, slightly ahead of 9-Lives. It also is a major pet food marketer overseas.

Mr. Fiuczynski said he did not know when the Milky Way brand would be reassigned and gave no indication if outside shops would be invited to pitch the account.

Mars' other major worldwide shops are D'Arcy Masius Benton & Bowles, New York and St. Louis, which has domestic and international brands; Grey International, which in 1985 signed on for a limited number of pet-food and candy assignments; and Tatham-Laird & Kudner, Chicago, which has about $3 million for DoveBar's Forever Yours and Rondos brands.

Mars bought DoveBar International last year.

Those agencies stand to gain from Burnett's loss. Because ultrasecretive Mars likes to keep a small stable of agencies, it may have wanted to whittle down the roster, sources indicated.

J. Langdon, VP-brands and sales for M&M/Mars, said the former Burnett brands will be reassigned within the existing family of Mars agencies by April 1.

Burnett won two new assignments from Mars just this summer—the DoveBar ice cream confection and P.B. Max, Mars' first new candy bar in several years (AA, Aug. 3).

Burnett is finishing production of

(Continued on Page 29)

CORRECTIONS & CLARIFICATIONS

- The GE/RCA Consumer Electronics account was not Leo Burnett Co.'s only piece of business that the agency handled on other than a 15% commission basis (AA, Nov. 23, P. 1).
- Control Data Corp., Minneapolis, which owns Arbitron Ratings Co., New York, will become the world's second-largest marketing/-advertising research organization after it completes its acquisition of SAMI/Burke, Cincinnati, from Time Inc. (AA, Dec. 21, P. 14).
- Linda Petrillo has been named associate marketing manager at the Stendhal division of Sanofi Beauty Group, New York. She previously was advertising and sales cooordinator (AA, Nov. 30, P. 78).
- Among the 15 daily newspapers owned by Hearst Corp., the *Boston Herald* is not among them, as was reported in a profile in the Second 100 Leading National Advertisers (AA, Nov. 23, P. S-29).
- AC&R/DHB&Bess personnel on the Paramount Pictures Corp. account listed under Paramount's parent, Gulf & Western Industries, in the Second 100 Leading National Advertisers are Cheryl Lodinger, exec VP, and Vito Mandato, senior VP-account management. Norman Trell, reported as exec VP-media, no longer is with the agency (AA, Nov. 23, P. S-28).
- Miami's population is 43% hispanic, not 83% (AA, Nov. 23, P. 44).#

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Million Market Newspapers/Times Mirror National Marketing
Source: Circulation '87/'88

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SPOTLIGHT ON FOOD SALES

High-flying product categories, 1987

52 weeks ending Nov. 6, 1987. *Source:* SAMI/BURKE

Category	Annual food store retail sales ($ millions)	Annual tonnage gain (%)
DRY GROCERY: FOOD		
Misc. snacks & dips	$180.4	+45%
Misc. fruit juices	8.4	+23
Bottled water	347.8	+23
Juice & juice-drink concentrates	40.4	+21
Fruit rolls & bars	308.7	+20
Low/reduced calorie salad dressings	169.6	+14
Cat food snacks	25.3	+12
Fruit pectin	180.4	+11
Blended fruit juices	132.9	+11
DRY GROCERY: NON-FOOD		
Mildew removers	41.2	+15
Car-care products	30.4	+10
Heatable plastic bars & wraps	19.6	+ 9
Fireplace logs & bricks	52.0	+ 9
FROZEN FOODS		
Frozen yogurt	24.8	+105
French toast & pancakes	81.4	+30
Corn dogs	49.2	+24
Breakfasts	198.7	+22
Mexican dishes	249.9	+22
Misc. prepared vegetables	73.0	+16
Dinner bread & rolls	341.6	+15
Sandwiches	99.6	+14
Prepared vegetables/cream sauce	24.3	+10
American-style prepared vegetables	48.9	+10
REFRIGERATED FOODS		
Misc. yogurt products	9.6	+205
Misc. juices	105.0	+119
Misc. dough products	42.9	+34
Yogurt	998.2	+19
Puddings	49.3	+15
Drinks	287.7	+15
Pie crust	44.4	+11
Apple juice/cider	37.2	+11
HEALTH & BEAUTY AIDS		
Lipcare products	42.4	+34
Eyecare products	203.3	+16
Hair spray	273.8	+14
Mouthwash	312.2	+14
Natural vitamins, minerals, supplements	63.4	+11
Hand & body creams/lotions	183.9	+11
Dental aids	28.1	+11
Stick deodorants/pads	308.4	+10
Cosmetic & medicated skin aids	114.3	+10

Food stores' sales log sluggish gains

By ALAN B. MILLER JR.

Food store sales did not rise much in 1987, and many product categories suffered volume losses.

Of the 474 categories of warehoused package goods tracked by SAMI/Burke, sales rose only 0.8% in units and just 2.2% in dollars for the year ended Nov. 6.

Among edible foods, there were 87 categories with 52-week tonnage gains, compared with 151 registering poundage losses. In the "dry grocery: non-food" arena, including household cleaners and supplies, paper and laundry products, and soaps and detergents, there were volume losses in 45 and gains in only 33.

Frozen-food gainers outpaced losers 39 to 33.

In the refrigerated foods categories, thanks in large measure to the growth of chilled juices and drinks, the growth categories outpaced the decliners 20 to 14.

Gains and losses were nearly even in the health & beauty aids categories, with 27 on the plus side and 25 with red ink.

Despite flat food-store volume in 1987 compared with 1986, there were important shifts. Frozen sweet goods as a category, for example, suffered a poundage decline of 6%, but within this category Boston cream cake volume soared 66%.

In the internal analgesic category, national food-store unit sales declined 1% overall, but volume of ibuprofen items rose 49%.

In some categories recording significant volume increases, the gains can be traced directly to important new-product introductions. Much of the growth in Italian, meat and poultry frozen entrees was provided by new Swanson Homestyle Recipe lines introduced by Campbell Soup Co. early in the year.

New premium or calcium-added refrigerated orange juice items from Procter & Gamble Co.'s Citrus Hill, Coca-Cola Foods' Minute Maid and Beatrice Cos.' Tropicana Products have contributed to the continuing growth trend in this category.

In other categories, important new products have created a churning. Four of the top 10 new dry grocery food brands were dry dog foods —Purina O.N.E., Grrravy, Tender Chops-All Tender and Tender Chops-Crunchy & Tender. But in spite of this high volume, poundage in the dry dog-food category fell 3.3%.

Common denominators

There are common denominators behind many of the upward trends of 1987. It would appear that new products with certain attributes have a leg up on those that cannot take advantage of basic changes or preferences in buying behavior.

Microwaveability, when accompanied by good quality, appears to have a high rate of acceptance, particularly in the case of frozen foods and, to a growing extent, shelf-stable foods. Volume sales in products especially formulated or packaged for specific use in microwave ovens amounted to $760 million in 1987, up 46% from '86.

The category with the highest volume of microwaveable items was shelf-stable popcorn, with sales of $269 million in 1987. That represented a gain of more than 59% from last year.

Another major upswing was exhibited by aseptic packages of juices and drinks, which passed $500 million in retail volume, reflecting a growth rate of more than 15%. More than 1.6 billion aseptic packages were bought in food stores during 1987.

Volume of low-sodium products in selected categories grew slightly from 1986, accounting for more than $370 million in '87. The highest-volume levels were found among butter and butter/margarine blends, snack nuts, salt and canned corn or green beans.

Sales of selected light or sugar-free items showed mixed trends. They ranged from a 52-week dollar gain rate of 24% for low-calorie mayonnaise or spoonable salad dressing to an 18% loss for sugar-free milk modifiers.

Health buzzwords

Another common denominator is fiber, which SAMI has been tracking in the ready-to-eat cereal category. Some 17 high-fiber brands in this category account for $794 million, a gain of 6% in dollars.

Decaffeination is another health-oriented buzzword that figures into coffee and tea sales. Decaffeinated tea bags in 1987 accounted for 13.1% of total dollar volume and sales rose 16%. Decaffeinated ground coffees gained share in 1987, while instant coffees' share fell slightly to 31.2% in dollars in '87 from 32.7% in '86.

Growth also is in evidence among foods in squeezable containers. In the 11 product categories in which these plastic food containers are being scrutinized on a continuing basis, dollar sales rose 9% to $659 million.

Squeezable containers now account for 47% of ketchup sales, 55% of maple syrup and 36% of prepared mustard. They have lost share in the jams, jellies and preserves category.

Another special universe being tracked is high-quality, new frozen entrees and dinners, paced by Campbell, ConAgra Inc. and Stouffer Corp., among others. These "gourmet" entrees now account for $1.1 billion in sales, growing 2.3% since 1986. Sales of the higher-price frozen winners increased 18% in annual dollars and 12% on a poundage basis.

Some of the other universes exhibiting growth going into 1988 are low-cholesterol products; Cajun items; high-quality items other than frozen foods; and products with health-oriented additives such as calcium and fish oil.#

Mr. Miller is a New York-based consultant to SAMI/Burke, Cincinnati.

Foodservice to gain data

Product tracking planned

By SCOTT HUME

Food manufacturers serving the $200 billion foodservice industry will gain access next year to data on market shares and sales trends.

The availability of the new data is expected to change significantly companies' marketing strategies and ad spending. About $75 million is spent annually on foodservice trade advertising.

The International Foodservice Manufacturers Association, which represents nearly 500 food, equipment and supply manufacturers, has begun soliciting member participation in a series of Product Tracking Studies.

Those studies are intended to provide the first data on manufacturers' shipments of foodservice products. While Cincinnati-based SAMI/Burke has for many years tracked chain warehouse food shipments to retail grocery stores, no such data on foodservice sales have been available.

"This is an industry that's hungry for numbers," said Ken Miller, marketing manager at J.M. Smucker Co., Orrville, Ohio. "Collecting this kind of data has been tried before, but never successfully. IFMA has the clout to do it, and this looks like the best, most organized effort to date."

Food manufacturers' reluctance to divulge sales and product-specification data has been a major stumbling block. To overcome that, quarterly product shipment reports will be sent to accounting firm Ernst & Whinney, Cleveland, which will tabulate and prepare reports.

Companies subscribing to the reports will get category totals from which they can extract their market shares, but not hard figures on individual competitors' sales or shares.

Subscription costs will be $2,500 per category per year.

These data are expected to influence decisions on new-product development, ad budgets and seasonal timing of sales promotions.

"There never have been hard sales numbers available in the foodservice industry, which means you have major companies like Kraft, Quaker and the others marketing in the dark," said John Orr, managing partner of Wheaton, Ill.-based Armantrout Orr Associates. The consultancy is working with IFMA to develop product categories being tracked.

"Foodservice is a very tough industry to track, because you've got more than 500,000 outlets being served and because the distribution is so dispersed," Mr. Orr said. "The major companies only account for about 12% of the total, with the rest handled by guys with one or two trucks.

"By tracking shipments from the manufacturers, we'll finally get a fix on this market."

Armantrout Orr Associates is working with manufacturers to determine how product categories are defined and how data will be presented (in dollars or pounds or however participants desire).

Once participation in any given product category is determined to represent at least 80% of that category's volume, collection of data and creation of quarterly reports will begin.

The Chicago-based IFMA already has fielded two pilot studies, covering foodservice sales of cheeses and of jams and jellies.

The success of those studies prompted the rollout of the program to other categories.

Baking mixes, bacon and coffee are the next studies planned, with 100 product categories expected to be involved during the next two to three years.

"What we gained from the pilot tracking study [on jams and jellies] was data on the mix of product package sizes and volumes of specific flavors we never could get before," Smucker's Mr. Miller said. "We're a company that believes in market planning and that data quantifies product potential."

The marketing reverberations should be immediate and significant, Mr. Orr said.

"If you're a manufacturer of baking mixes and you see that chocolate cake shipments are rising, you'd better be in that category or at least increase advertising and promotional support for it if you are in it," he said. "The data on which to base those decisions has been awfully sketchy until now."#

E-II buys Cajun food company

CHICAGO—Jumping onto the Cajun-Creole bandwagon, E-II Holdings, a company that owns various former Beatrice Cos. brands, has acquired Zatarain's Inc., Gretna, La.

Zatarain's is a regional marketer of Cajun and Creole seasonings and condiments. Its principal products are breadings, seasonings, rice mixes and sauces.

E-II Holdings spent $35 million to acquire the company from Wyndham Foods, Houston.

When formed in July, E-II Holdings stated its intent to acquire large and small consumer-product companies that fit in with its existing businesses.

E-II will run Zatarain's through its Martha White Foods subsidiary, Brentwood, Tenn. Bozell, Jacobs, Kenyon & Eckhardt, Minneapolis, handles Martha White; Zatarain's does not have an agency of record.#